



WEALTH SECURITIES

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THE WEALTH VAULT

A Product of Wealth Securities, Inc.

Monday, 15 July 2013

Index	Value	Change	% Change
PSEi	6,574.21	166.85	2.60▲
All Shares	4,025.69	106.09	2.71▲
Financials	1,642.41	41.93	2.62▲
Industrial	9,963.99	207.88	2.13▲
Holding Firms	6,016.90	196.35	3.37▲
Services	1,938.43	24.86	1.30▲
Mining and Oil	14,210.72	5.87	0.04▲
Property	2,553.13	63.11	2.54▲

WORLD INDICES

S&P 500	1,680.19	+0.31%
FTSE 100	6,544.94	+0.02%
Nikkei	14,506.20	+0.23%

TRADING SNAPSHOT

Index Movers

SM	+30.03
MBT	+14.19
ALI	+14.11
AC	+13.88
AEV	+12.34

Index Out-performers

Up

MBT	4.94%
BLOOM	4.60%
SM	4.40%
FGEN	4.34%
RLC	4.19%

Index Under-performers

Down

AEV	-2.83%
JGS	-1.45%



PSEi Index

July 12, 2013:	6,574.21	+166.85
Value T/O, net	P 5,221	million
52-week High	7,403.65	
Low	5,114.95	

Foreign Buying:	P 4,909	million
Foreign Selling:	P 3,974	million



HEADLINES

S&P 500 Extends Record as Bank Rally Offsets UPS Forecast

- From Bloomberg: The S&P 500 climbed 0.3% to a record 1,680.19 at the close July 12. Financial stocks rose the most of the 10 industry groups on the S&P 500 after Wells Fargo & Co. reported earnings that topped analysts' estimates. The Dow Jones Industrial Average added 3.38 points, or less than 0.1%, to 15,464.3, also an all-time high. More than 5.4 B shares traded hands on U.S. exchanges today, or 15% below the three-month average.
- "The Fed's hope is that investors shift over time from liquidity-driven strength to economy-driven strength," James Gaul, a portfolio manager at Boston Advisors LLC, which oversees about \$2.6 B in assets, said by phone.
- Wells Fargo rose 1.8% to \$42.63. The largest U.S. home lender said second-quarter profit climbed 19% as the company clamped down on expenses. JPMorgan slipped 0.3% to \$54.97 after Chief Executive Officer Jamie Dimon warned investors that higher interest rates could lead to a "dramatic reduction" in the bank's profits by eroding demand for mortgage refinancing. United Parcel Service Inc. (UPS) said a slowing U.S. economy hurt second-quarter profit and revenue. The world's largest package delivery company and rival FedEx Corp. are often viewed as economic bellwethers because they transport goods across the world.
- The MSCI Asia Pacific excluding Japan Index advanced 2.8% last week, paring this year's loss to 5.8%.
- China's economy, the world's second-largest, probably expanded 7.5% in the three months to June 30, according to the median of 45 estimates surveyed before data due today, after growth slowed to 7.7% in the first quarter. Finance Minister Lou said he's confident in achieving a 7% growth rate this year. That's below the government's official growth target of 7.5%.

MPTC allots P3 B for road construction

- Metro Pacific Tollways Corp. (MPTC), a unit of infrastructure conglomerate Metro Pacific Investments Corp. (MPIC), has set a P3-B capital expenditure program for its road construction projects this year. A big chunk of the budget, or P1.7 B, would go to the Segment 9 project which involves a 2.4-kilometer stretch from Valenzuela City to MacArthur Highway. The project is expected to be completed by the middle of next year.

Ayala unit inks joint venture for wind projects

- AC Energy Holdings, Inc. (ACEHI), a wholly owned subsidiary of conglomerate Ayala Corp. has signed a joint venture agreement with partners for the development of wind projects in Ilocos Norte. An initial equity investment has been agreed for the first 81-MW project with an investment value of approximately \$220 M with ACEHI funding 64% of equity, PINAI (Philippine Investment Alliance for Infrastructure) 32% and UPC (UPC Philippines Wind Holdco I B.V.) 4%. The proponents aim to connect the initial phase of the 81 MW plant to the grid by June 2014.

BPI sees its AUM portfolio growing 20%

- Despite the prevailing volatility in the financial market, Ayala-run Bank of the Philippine Islands (BPI) sees a 20-percent growth in its assets under management (AUM) this year. BPI Asset Management's AUM for the first quarter of 2013 reached P758 B, up 10% from the same period last year.

SMDC nixes deal to acquire Kidney Institute lot in QC

- SM Development Corp. (SMDC), the condominium builder of mall and banking conglomerate SM Investments Corp., is pulling out of the deal to buy the National Kidney Transplant Institute (NKTi) property in Quezon City. SMDC vice-chairman and CEO Henry Sy Jr. said the company which already paid around P300 M of the P783-M purchase price of the property occupied by NKTi, has crafted a waiver but the down payment should be returned.
- In October, SMDC won the bidding for the two lots totaling 1.63 hectares offered by the National Housing Authority (NHA). However, the sale was reportedly called off early this year after NKTi management reached an agreement with NHA to revive negotiations involving the property.

ALI to pursue China projects despite slowdown

- Ayala Land Inc. (ALI) will still pursue more mid-rise buildings and a commercial center in Tianjin while continuing its expansion in the Philippines fourth quarter. ALI has completed the construction of nine mid-rise residential buildings but less than half of the units were sold so far. ALI, whose partners are Keppel Land of Singapore and the Tianjin City government, has so far invested around \$16-17 M for the nine residential buildings.
- ALI is tapping the bond market to raise as much as P21 B, its largest fundraising in the capital market, to fund its capital spending this year. The issuance of the long-term bonds is expected late this month, pending the approval of corporate regulators.

CURRENCIES

US, Dollar	43.3950
Japan, Yen	0.4372
UK, Pound	65.5712
Hong Kong, Dollar	5.5935
EU, Euro	56.6958
China, Yuan	7.0697
Singapore, Dollar	34.3886

COMMODITIES

BRENT CRUDE OIL (USD/bbl.)	108.86	+0.05%
GOLD 100 OZ FUTR (USD/t oz.)	1,290.10	+0.98%
SILVER FUTURE (USD/t oz.)	20.06	+1.35%
CORN FUTURE (USd/bu.)	509.25	-3.37%
SUGAR #11 (USd/lb.)	16.06	-5.47%
SOYBEAN FUTURE (USd/bu.)	1,255.00	-2.54%



SMIC expects strong H1 results

- SM Investments Corp. (SMIC) chief finance officer Jose T. Sio told reporters that the conglomerate's bottom line likely jumped "14 to 15% for the first half." "Normally, second quarter is slower but we were able to maintain that growth in the first quarter because of the elections," Sio said.

Discovery World pushes P1-B IPO

- The company behind upscale resort hotel Discovery Shores Boracay has secured regulatory approval to raise P1 B through an initial public offering (IPO). Discovery World is majority owned by JKTC Equities Inc. (66.07%) while The Discovery Leisure Co. Inc. owns the remaining 33.93%. The resort operator plans to sell 306 M common shares at a maximum price of P3.28 each to generate P1.003 B in fresh capital. The offer period will run from July 23 to 29, which will be followed by listing in the Philippine Stock Exchange on Aug. 1. Abacus Capital & Investment Corp. is the issue manager and underwriter.



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RATINGS DEFINITION

Jerome Gonzalez

Research Head
T: 634.5038 local 8127
jerome@wealthsec.com

Jason Lee

Power
T: 634.5038 local 8164
jason.lee@wealthsec.com

ND Fernandez

Banking, Telcos & Transport
T: 634.5038 local 8152
nd.fernandez@wealthsec.com

Bernard Aviñante

Conglomerates, Gaming
T: 634.5038 local 8121
bernardavinante@wealthsec.com

Matthew Tan

Consumer
T: 634.5038 local 8150
matthew.sytan@wealthsec.com

Sarah Uy

Construction
T: 634.5038 local 8160
sarah.uy@wealthsec.com

